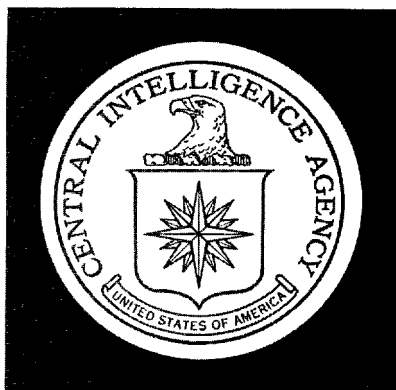


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DIRECTORATE OF
INTELLIGENCE

Intelligence Memorandum

*Foreign Shipping to North Vietnam
During May 1968*

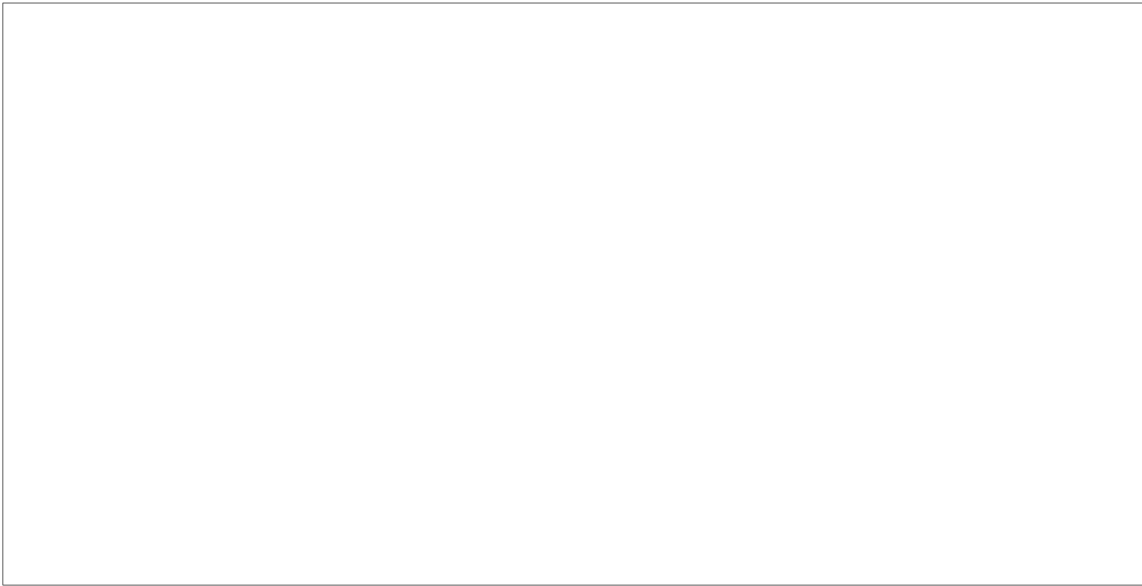
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Foreword

The data in this memorandum are preliminary and subject to modification as additional information becomes available. Significant changes may occur in ship arrivals and cargoes from Communist China and, to a lesser extent, in cargoes carried by ships of the Free World. Soviet and Eastern European ship arrivals and cargoes and Free World arrivals are not likely to be changed significantly. To reflect changes in previous reports, Table 1 includes monthly arrivals, by flag. Weights of cargoes are expressed in metric tons. Because of rounding, components may not add to the totals shown.

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CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence
June 1968

INTELLIGENCE MEMORANDUM

Foreign Shipping to North Vietnam
During May 1968

Summary

In May, 52 foreign ships, the highest number of arrivals since March 1965, delivered a record volume of 221,000 tons of cargo. Bulk food imports of 96,500 tons surpassed the previous record volume by about 40 percent. Petroleum deliveries totaling 40,300 tons were second only to the record volume in April. Seaborne exports fell slightly to 76,700 tons, probably because of congestion at the coal ports. Average layover time for foreign ships departing Haiphong decreased from 19 days in April to 14 days in May.

Free World ships made 18 calls in May, the highest total since January 1966 and significantly higher than the monthly averages in the first four months of 1968 and in 1967, as shown in Figure 1, Tables 1 and 2, and the following tabulation:

Note: This memorandum was produced solely by CIA. It was prepared by the Office of Economic Research and information on ship arrivals was coordinated with the Naval Intelligence Command.

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Flag	Monthly Average			
	April	May	Jan-Apr 1968	1967
<i>Total</i>	40	52	39.5	32.2
Communist Countries	<u>27</u>	<u>34</u>	<u>28.8</u>	<u>25.7</u>
USSR	18	20	18.0	15.1
Eastern Europe	1	3	1.8	2.4
Communist China	8	10	8.5	8.1
Cuba		1	0.5	0.1
Free World	<u>13</u>	<u>18</u>	<u>10.8</u>	<u>6.5</u>
United Kingdom	10	13	9.0	5.6
Other	3	5	1.8	0.9

Additional stevedores and around-the-clock working of ships without interruption by air raid alerts quickened port operations in Haiphong. Ships departing in May after delivering foodstuffs remained in port an average of eight days, compared with an average of 12 days during the first quarter of 1968. The comparable reduction for ships delivering general cargoes was from 34 days to 28 days. Dredging in Haiphong harbor has been at a high level since mid-April, and construction and repair work on the Chamber of Commerce Wharves continues.

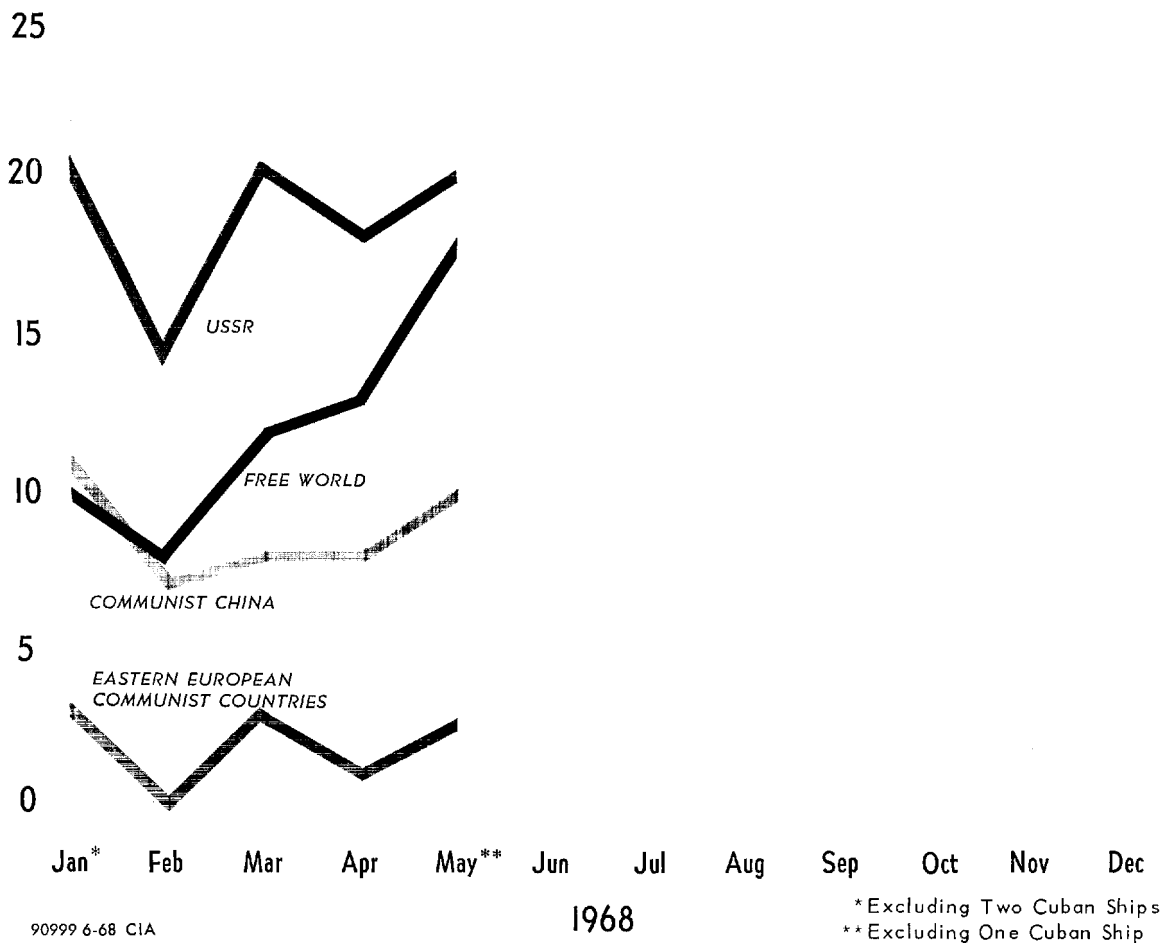
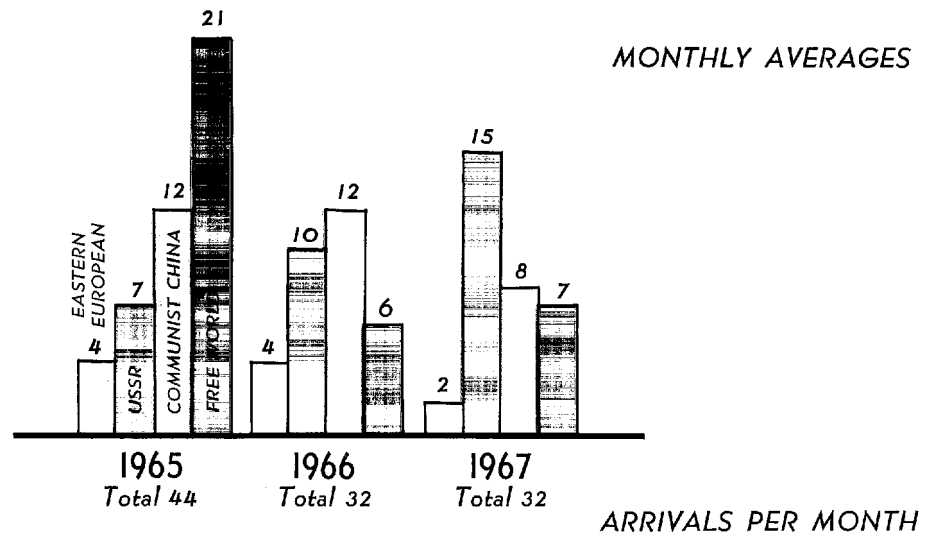
The downward trend in layover times of ships in Haiphong probably will be reversed in June. Between 15 and 31 May the number of dry cargo ships in port increased by 85 percent. An anticipated high level of arrivals in June will add to this backlog.

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Figure 1

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North Vietnam: Foreign-Flag Ship Arrivals



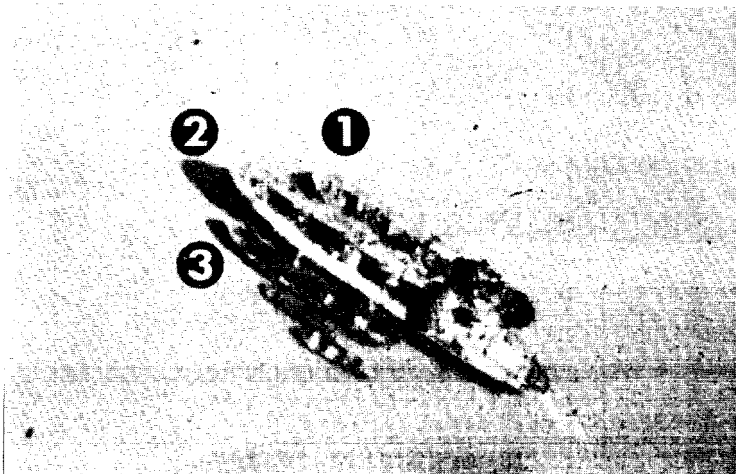
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Situation at the Ports (See Figure 2)

1. Port operations at Haiphong improved considerably in May. Despite the record volume of imports, average layover time for foreign freighters departing Haiphong fell from 19 days in April to 14 days in May and the average daily number of ships in Haiphong fell from 19 to 16 [REDACTED].

2. A number of factors contributed to this improved performance. The stevedore force has reportedly been augmented by shifting farming and defense workers from the country to Haiphong. The additional stevedores made possible the simultaneous unloading of four or five hatches; prior to the bombing pause most ships worked only two hatches at a time. The unloading and loading of ships in May continued around the clock in contrast to earlier periods when stevedoring operations were halted during airstrikes on nearby areas. Lightering of ships continued at earlier levels. Photography of 2 and 3 June shows three ships discharging into lighters in the lower Bach Dang anchorage (see the photograph) and a moderate daylight movement of waterborne logistics craft in the Cua Cam River. Before the bombing pause, these craft moved mostly at night.



The Cuban-flag Ship Guisa (2) Discharging Sugar onto the Singapore-flag Ship Golden Ocean (1) and the North Vietnamese Ship Ben Thuy (3) in the Lower Bach Dang Anchorage

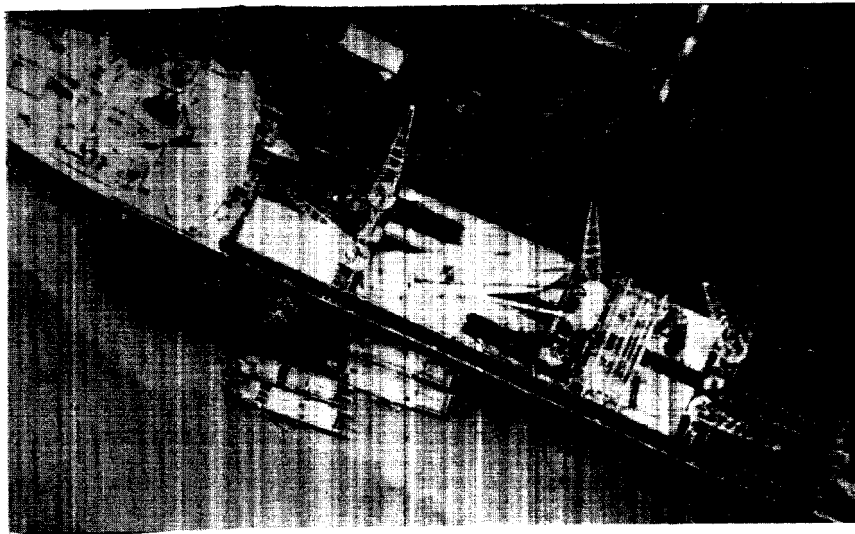
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3. Cargoes were moved inland from the port without interruption, but not at a rate sufficient to keep pace with unloading of ships. Photography of 3 June reveals a 10-percent increase since 9 May in the amount of cargo observed in open storage and a 30-percent increase in the amount of cargo between the wharves and the warehouses.*

4. There will probably be some increase in average layover time for ships departing Haiphong in June because 30 of the 52 ships that arrived in May entered Haiphong during the second half of the month, increasing the number of ships in Haiphong from 13 to 24 between the middle and the end of May. Also a high level of arrivals and cargoes is expected in June.

5. Port capacity at Haiphong should be appreciably increased by current construction and repair work. The new 700-foot pier at the western end of the Chamber of Commerce Wharves is approximately 70 percent complete and may be operational by the end of the summer. Repair work on number five berth is more than half finished (see the photograph). Repair of berths 1 through 4 probably will follow.



Repair Work and the Soviet Ship Bratslav at Berth No. 5 of the Chamber of Commerce Wharves

* Most of the cargo in this area consisted of sacks of grain piled under canvas. There were at least nine of these piles between berths 1 and 3, four of which were new since 22 May.

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Ship Arrivals

6. Thirty-four Communist ships arrived in North Vietnam during May and delivered 63 percent of the record volume of imports. Soviet ships made 20 calls and delivered 37 percent of seaborne imports. Seven of the Soviet arrivals were small tankers that delivered petroleum* and thirteen were dry cargo ships. Three of the dry cargo ships were large-hatch freighters from the Black Sea and ten were smaller freighters, nine from Vladivostok and one from Cambodia. Seven of the ten Soviet dry cargo ships that departed North Vietnam in May carried coal for Japan.

7. There were ten calls by Chinese ships, which delivered 11 percent of seaborne imports. All ten ships sailed directly from China to North Vietnam -- six arrived at Haiphong and two each at Hon Gai and Cam Pha.** Six of the 12 Chinese ships that departed carried coal for China. One Cuban ship arrived in May and delivered a large cargo of sugar to Haiphong. There were three Eastern European arrivals -- two Polish (both belonging to the Chinese-Polish Shipbrokers Company) and one Bulgarian -- with cargoes that included bulk foods, petroleum products, chemicals, steel, machinery, and vehicles (see the photograph). Two Polish ships departed North Vietnam with small amounts of general cargo for Eastern and Western Europe and Cuba.

8. Free World ships made 18 calls at North Vietnam in May, the highest number since January 1966. They delivered 82,100 tons of cargo, a new record for imports on Free World ships.*** Thirteen

* Four from Vladivostok, two from the Black Sea, and one from the Baltic Sea. The two tankers from the Black Sea and the one from the Baltic will probably be assigned to the Soviet Far East fleet.

** Three of the four arrivals at the coal ports came in ballast; the fourth delivered an unknown amount of general cargo. All four loaded coal for Japan.

*** All the cargoes on Free World ships originated in China, except for 2,600 tons from Hong Kong and Japan.

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were British-flag dry cargo ships, 11 from China (under Chinese time charter) and two from North Korea (under North Vietnamese time charter).^{*} The remaining five Free World arrivals included two Cypriot freighters with general cargo from Hong Kong, a Cypriot tanker with petroleum from China,^{**} a Singapore freighter with general cargo from Singapore and Cambodia (see the photograph), and a Japanese freighter in ballast to load coal at Cam Pha for Japan.

9. The Japanese freighter was the first Japanese vessel to call at a North Vietnamese port since March 1965, when the Japanese Seamen's Union and the Japanese Shipowners' Association withdrew all Japanese ships from the North Vietnamese trade. As a result of this withdrawal, all Japanese trade with North Vietnam between April 1965 and March 1968 moved on ships of other Free World and Communist countries. Soon after the announcement of a cut-back in US bombing at the end of March 1968, Japanese union leaders apparently approved a resumption of Japanese shipping to North Vietnam. Some small Japanese shipowners subsequently indicated a willingness to reenter the trade. Until the larger shipping companies decide to put their Japanese-flag ships back into the trade, however, it is unlikely that Japanese participation in the trade will approach the high level of the first quarter of 1965, when an average of 12 Japanese ships a month called at North Vietnamese ports.

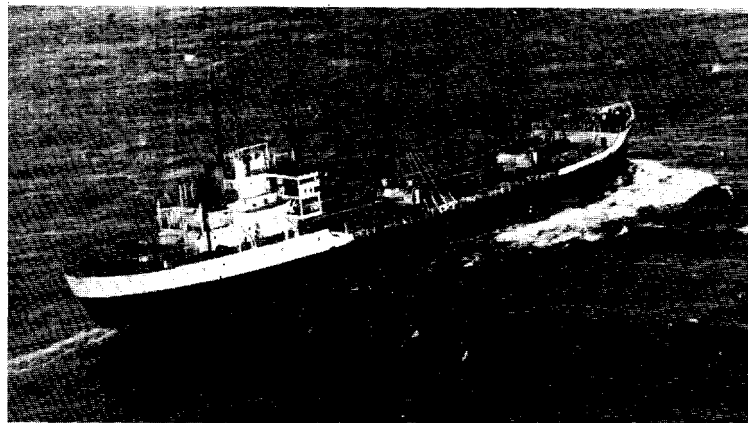
^{*} The ships are owned by Hong Kong firms believed to be under the control of Communist China.

^{**} The tanker Yvonne had its registry withdrawn by the Greek government when the latter heard of the ship's intention to sail to North Vietnam. The Yvonne was unable to find another registry and arrived in Haiphong flying the Cypriot flag illegally. Subsequently, it was given temporary registry by the government of Cyprus for its May visit to Haiphong. Since then it has applied for Somali registry.

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The Polish Freighter Nowowiejski En Route to North Vietnam with a Deck Cargo of Tank Trucks and Tractors



The Singapore-flag Ship Golden Ocean En Route to North Vietnam with a Cargo of Logs from Cambodia and General Cargo from Singapore

~~SECRET~~Cargoes

10. Seaborne imports reached a new high of 220,900 tons in May (see Table 3), more than 13 percent above the previous record of 195,900 tons in January 1968 and 45 percent above the monthly average for the first four months of 1968. Bulk food imports of 96,500 tons (including 24,000 tons of flour from the USSR and 52,000 tons of grain from China) were more than twice the April volume and about 40 percent above the previous monthly high in May 1967. Since the United States announced a partial bombing pause on 31 March, North Vietnam has imported foodstuffs at almost twice the 1967 rate, as shown in the following tabulation:

<u>Monthly Average (Thousand Metric Tons)</u>			
	<u>Prior to Bombing Halt</u>		<u>After Bombing Halt</u>
	<u>1967</u>	<u>1st Quarter 1968</u>	<u>Apr-May 1968</u>
<i>Total imports</i>	118.0	152.8	186.7
Of which:			
Bulk food- stuffs	38.1	46.8	72.1

11. In May, 40,300 tons of petroleum were imported by sea,* less than the record deliveries in April but almost twice the monthly average in 1967. Nearly 70 percent of the petroleum came from the USSR and all but 300 tons of the remainder from Communist China. Imports of miscellaneous and general cargo increased to 61,000 tons in May, higher than the monthly averages of 52,200 tons in the first four months of 1968 and 45,700 tons in 1967. Most

* *Petroleum imports consisted of 38,400 tons in bulk and 1,900 tons of packaged products.*

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of these cargoes came from Communist China (33 percent), Eastern Europe (31 percent), and the USSR (29 percent). They included steel and other metals, construction materials and equipment, vehicles, barges, chemicals, and medicines.* Fertilizer deliveries of 19,100 tons (7,500 tons from the USSR, 7,400 tons from North Korea, and 4,200 tons from China) were more than four times the April total and the highest since January. This increase may be related to planting for the tenth-month rice crop which began in May. Two shipments of timber totaling 4,000 tons arrived from Cambodia in May. Timber deliveries thus far in 1968 (12,100 tons) are only slightly below the total for all of 1967 (12,800 tons). Timber probably will continue to arrive at higher-than-normal levels as the North Vietnamese accelerate construction and repair work.

12. Seaborne exports totaled 76,700 tons in May (see Table 4), 5 percent less than in April but well above the level of the first four months in 1968 (56,900 tons). Coal exports decreased from 75,700 in April to 70,700 tons in May. Coal exported from Cam Pha fell to 52,800 tons, 18 percent below the volume in April, while coal exports from Hon Gai rose to 18,000 tons, the highest total since February and almost twice the monthly average in 1967.

* The commodity composition of 20 percent of the miscellaneous and general cargoes imported in May has not been identified.

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Table 1

North Vietnam: Foreign-Flag Ship Arrivals
January-May 1967 and 1968

	January-May 1968						January-May 1967		
Flag	January	February	March	April	May	Total Arrivals	Percent	Total Arrivals	Percent
<i>Total</i>	<i>46</i>	<i>29</i>	<i>43</i>	<i>40</i>	<i>52</i>	<i>210</i>	<i>100.0</i>	<i>198</i>	<i>100.0</i>
Communist countries	<u>36</u>	<u>21</u>	<u>31</u>	<u>27</u>	<u>34</u>	<u>149</u>	<u>71.0</u>	<u>170</u>	<u>85.9</u>
USSR	20	14	20	18	20	92	43.8	99	50.0
Eastern Europe	3		3	1	3	10	4.8	17	8.6
Bulgaria					1	1	0.5	4	2.0
Poland	3		3	1	2	9	4.3	13	6.6
Communist China	11	7	8	8	10	44	21.0	53	26.8
Cuba	2				1	3	1.4	1	0.5
Free World	<u>10</u>	<u>8</u>	<u>12</u>	<u>13</u>	<u>18</u>	<u>61</u>	<u>29.0</u>	<u>28</u>	<u>14.1</u>
Cyprus	1	1			3 a/	5	2.4	3	1.5
Italy			1			1	0.5		
Japan					1	1	0.5		
Lebanon				1		1	0.5		
Malta								2	1.0
Singapore			1	1	1	3	1.4		
United Kingdom	9	7	10	10	13	49	23.3	23	11.6
Illegal flag				1 a/		1	0.5		

a. The tanker Yvonne had its registry withdrawn by the Greek government when the latter heard of the ship's intention to sail to North Vietnam. The Yvonne was unable to find another registry and arrived in Haiphong flying the Cypriot flag illegally. Subsequently it was given temporary registry by the Government of Cyprus for its May visit to Haiphong. Since then it has applied for Somali registry.

Table 2

North Vietnam: Tonnage of Foreign-Flag Ship Arrivals a/
April and May 1968, and January-May 1967 and 1968

Type of Ship and Flag	1968						1967	
	April		May		January-May		January-May	
	Arrivals	Thousand Gross Register Tons	Arrivals	Thousand Gross Register Tons	Arrivals	Thousand Gross Register Tons	Arrivals	Thousand Gross Register Tons
<i>Total</i>	40	191.0	52	250.1	210	1,010.3	198	955.0
Dry cargo	32	156.3	44	219.3	175	869.3	173	857.4
Tanker	8	34.7	8	30.8	35	141.0	25	97.5
Communist countries	27	122.5	34	161.8	149	711.9	170	825.2
USSR	18	83.4	20	89.5	92	422.5	99	486.7
Eastern Europe	1	8.9	3	21.5	10	74.4	17	134.0
Communist China	8	30.3	10	41.4	44	186.8	53	195.0
Cuba			1	9.4	3	28.2	1	9.5
Free World	13	68.5	18	88.3	61	298.4	28	129.8

a. The aggregate tonnage of ships calling does not necessarily reflect the actual volume of cargoes moving into and out of North Vietnam, but is of value as an indicator of relative changes in the volume of shipping.

Table 3

North Vietnam: Imports Carried on Foreign-Flag Ships a/
 May 1968 and January-May 1967 and 1968

Flag	Thousand Metric Tons							
	Food- stuffs	Ferti- lizer	Petro- leum	May 1968		Miscellan- eous b/	January-May	
				Timber			1967	1968
<i>Total</i>	<i>96.5</i>	<i>19.1</i>	<i>40.3</i>	<i>4.0</i>		<i>61.0</i>	<i>220.9</i>	<i>692.8 831.7</i>
Communist countries	<u>55.6</u>	<u>11.7</u>	<u>28.3</u>	<u>2.5</u>		<u>40.7</u>	<u>138.8</u>	<u>589.7 574.5</u>
USSR	25.7	7.5	28.0	2.5		17.4	81.1	360.0 364.1
Eastern Europe	2.6		0.3			19.0	21.9	53.2 70.1
Communist China	16.3	4.2				4.3	24.8	164.3 118.0
Cuba	11.0						11.0	12.2 22.3
Free World	<u>40.9</u>	<u>7.4</u>	<u>12.0</u>	<u>1.5</u>		<u>20.3</u>	<u>82.1</u>	<u>103.1 257.3</u>

a. Imports include some estimates of cargoes, using methods which have proved to be highly reliable.

b. Including unidentified cargo of 12,000 tons. The volume of unidentified cargo will be reduced as additional information becomes available.

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Table 4

North Vietnam: Exports Carried on Foreign-Flag Ships a/
May 1968 and January-May 1967 and 1968

Flag	Thousand Metric Tons				
	May 1968			January-May	
	Coal	Miscellaneous	Total	1967	1968
<i>Total</i>	<i>70.7</i>	<i>5.9</i>	<i>76.7</i>	<i>370.9</i>	<i>304.1</i>
Communist countries	<u>60.5</u>	<u>5.8</u>	<u>66.3</u>	<u>335.1</u>	<u>258.9</u>
USSR	25.4	1.9	27.3	178.5	110.6
Eastern Europe		1.2	1.2	44.7	3.7
Communist China	35.2	2.7	37.9	111.9	143.6
Cuba					0.9
Free World	<u>10.2</u>	<u>0.2</u>	<u>10.4</u>	<u>35.8</u>	<u>45.2</u>

a. Exports include some estimates of cargoes, using methods which have proved to be highly reliable.

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